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April 21, 2011

VIA ELECTRONIC-DELIVERY

The Honorable Jocelyn G. Boyd
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re: Request of South Carolina Electric & Gas Company for authority to sell certain real property to Timothy D. Sinclair

Docket No. 2011-167-E

Dear Ms. Boyd:

The purpose of this letter is to inform the Public Service Commission that the Office of Regulatory Staff has reviewed the above referenced filing and discussed this matter with South Carolina Electric & Gas Company ("SCE&G" or "Company") personnel. The property consists of approximately 1.43 acres situated at the intersection of Regatta and River Roads near Lake Murray in Lexington County. Based on our review, ORS has no objection to SCE&G's Request for authority to sell certain real property to Timothy D. Sinclair without engaging in the bidding process required by Order No. 92-931. The Order states that if the Company seeks to sell real property in excess of \$50,000 it must engage in a competitive bid process.

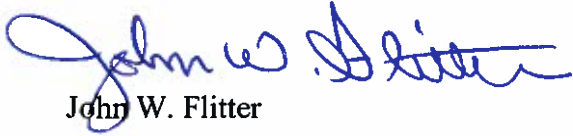
ORS's review determined the book value to be approximately \$9,600 and a 2005 appraisal valued the property at \$45,000. Mr. Sinclair approached the Company about the sale of the property and after negotiations settled on a \$70,000 purchase price. SCE&G indicates that it has no future plans for use of this land and it is not included in the Company's rate base. Any gain on the sale of this property will be recorded in FERC Account 421.1000, "Gain on Disposition of Property".

(Continued...)

April 21, 2011

Thank you for the opportunity to provide our comments in this matter.

Sincerely,



John W. Flitter

JWF/swh

cc: Dan F. Arnett, Chief of Staff, SC ORS
Nanette S. Edwards, Chief Counsel, SC ORS
Jeffrey M. Nelson, Esquire, SC ORS
K. Chad Burgess, Associate General Counsel, SCANA
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